

**BUDGET WORK SESSION OF THE  
BRIGHAM CITY COUNCIL  
APRIL 18, 2013  
6:00 PM**

PRESENT:	Dennis Fife	Mayor
	Scott Ericson	Councilmember
	Ruth Jensen	Councilmember
	Brian Rex	Councilmember
	Mark Thompson	Councilmember
	Tyler Vincent	Councilmember
ALSO PRESENT:	Tom Ammons	Energy Specialist
	Dave Burnett	Public Power Director
	Mary Kate Christensen	City Recorder
	Jared Johnson	Building Official
	Kristy Law	Recreation Manager
	Alex Raymond	Swimming Pool Supervisor
	Paul Tittensor	Police Chief

**Swimming Pool Renovation**

Mr. Johnson came forward and said they have run a series of tests to isolate the leak at the pool. Yesterday they drained the pool to get below the gutter system and found that in the last 24 hours the pool lost two more inches of water, indicating that there is leakage at the bottom of the pool as well. There are a lot of issues. They still need to drain the pool to pressurize the plumbing system, replace the Deck-O-Seal, flood test the gutter system, flood test the surge tank, correct the valves on the main drains, and check the hydrostatic valves.

Through the RFP process staff came up with was a series of recommendations.

- Pull the coping stones, reseal and waterproof the gutter system and replace all the coping with new stone. It is estimated this will cost \$58,000.
- Change out the sand that is in the sand infiltration system. It still is the original sand. It is estimated this will cost \$6,000. However, this can be reduced drastically if the City removes the sand. This would save approximately \$3,000-\$3,500.
- Reseal this spring and look at the plaster to get through this swim season. It is estimated this will cost \$60,000-\$80,000.
- When the season is over, replace the liner. The proposed liner has a 15-year warranty and will cost \$121,000.

There was a discussion on whether to use funds from the emergency fund or the general fund and the need to inspect City buildings on a regular basis.

**MOTION:** Councilmember Thompson made a motion to authorize funds from the general fund to pay for repairs to the pool as presented, seconded by Councilmember Ericson. Voting was unanimous.

*NOTE: A public hearing will be held on May 2, 2013.*

**Power Rates**

Mr. Burnett came forward and explained the proposed 3-tier structure. The Public Utility Advisory Board (PUAB) has been working on this for several months and was unanimously in favor of going to the tiered structure. Mr. Burnett explained that the City pays a demand charge to Rocky Mountain Power, which increases a lot when the heavy loads come on in the summer. The intent behind this structure is to have residential customers help pay for this. It also encourages conservation because the less they use the lower they pay per kilowatt.

Staff sampled all residential customers to compare their bills with the current structure vs. the 3-tier structure and it indicated that the revenue effect will be neutral. They did not take into account any increases the City might have from RMP.

Mayor Fife stated that the City's RMP contract comes up for renewal July 1, 2015. They have already been approved by the Public Utilities Commission for a 2.8% increase. RMP talked about putting the City on a residential schedule, which would create a 30% increase when the contract comes up for renewal. The Mayor said the City Council needs to take a strong look at this. He asked Mr. Burnett to schedule a work session the last of June or first part of July to discuss this at length.

The Mayor will adjust his budget to include the 2.8% electric rate increase.

### **Fleet**

The Mayor stated that the payment to the Fleet is over \$186,000 more than previous years. It has been proposed that the payment that goes to the Fleet and the excess be used to start a new facility fund.

There were some new purchases in the budget that the Mayor removed. One was a new truck for the Fire Department. Mr. Leonard came forward and explained that the Fire Department wanted to purchase a new extrication truck, which would extend the life of the fire trucks by six years.

### **Overhead Allocation/Personnel Assignments**

The Mayor reported that the legislature recently increased the amount allowed in fund balance from 18% to 25% of the next year's budgeted revenues. The City has historically been charging interfund services from the general fund to other funds. In the future the City will do an overhead allocation. This will decrease the overall budget by \$1M. As part of this, some personnel have been allocated to the utility fund.

### **Personnel Costs**

Mayor Fife stated that there is 1.7% in the budget for merit increases, plus equity adjustments. The overall movement of the City's comp ratio has moved up from a low of 92% to 95%-98%.

The HSA insurance option has made a drastic difference in usage.

### **Council Health Insurance**

Councilmember Jensen said the City has taken away insurance for some employees. She felt that it should no longer be an option for councilmembers.

### **MET Tax**

Councilmember Rex asked how much the Municipal Energy Tax generated this first quarter. The Mayor replied that it was forecast that the 5% MET would generate \$500,000 but it has only produced \$300,000.